

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Information Technology	(2) MEETING DATE 6/2/2015	(3) CONTACT/PHONE Daniel Milei 781-5072	
(4) SUBJECT Notification of proposed changes to the County's existing Master Enterprise Agreement with Microsoft to cover the initial Office 365 annual software licenses and associated cloud services to replace the Countywide email system in the amount of \$548,305. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board receive and file a notification of proposed changes to the County's existing Master Enterprise Agreement with Microsoft to cover the initial Office 365 annual software licenses and associated cloud services to replace Lotus Notes for email and calendaring.			
(6) FUNDING SOURCE(S) Countywide Automation Fund - FC 266	(7) CURRENT YEAR FINANCIAL IMPACT \$548,305.00	(8) ANNUAL FINANCIAL IMPACT \$605,172.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa Howe			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Information Technology / Daniel Milei
781-5072

DATE: 6/2/2015

SUBJECT: Notification of proposed changes to the County's existing Master Enterprise Agreement with Microsoft to cover the initial Office 365 annual software licenses and associated cloud services to replace the Countywide email system in the amount of \$548,305. All Districts.

RECOMMENDATION

It is recommended that the Board receive and file a notification of proposed changes to the County's existing Master Enterprise Agreement with Microsoft to cover the initial Office 365 annual software licenses and associated cloud services to replace Lotus Notes for email and calendaring.

DISCUSSION

The County of San Luis Obispo has been standardized on IBM's Notes/Domino (Notes) groupware/email platform since 1998. In February 2012 a project was initiated to evaluate all available groupware options and determine the best solution for the County's needs. After considering the factors of user experience, functionality, security, support, and total cost of ownership, the project team recommended the County migrate from IBM Notes/Domino to Microsoft Office 365 (O365). This recommendation was approved by the County Standards Committee in August 2012. IT-ESC unanimously approved the recommendation September 2012. Funding of \$725,000 for the email migration project was approved in the fiscal year 2013-14 budget.

A pre-migration project including an RFP process for migration and training services was conducted from February 2013 through October 2013 resulting in a decision to cancel the RFP process and put the migration project on hold to allow time to secure additional funding for the project, to learn from other counties who would be migrating to Office 365, and to allow the online service to mature.

Many California counties are now adopting Office 365. Microsoft's product offerings have improved (e.g. mobile security) and they have expanded the online services available in their U.S. Government Community Cloud. By purchasing Office 365 by June 30, 2015 the County qualifies for migration and onboarding services from Microsoft at no additional cost.

OTHER AGENCY INVOLVEMENT/IMPACT

This request has been prepared in coordination with the Office 365 Project Steering Committee consisting of the following departments: Administrative Office, Airport, Assessor, Auditor-Controller Treasurer Tax Collector Public Administrator, Clerk-Recorder, County Fire, Department of Social Services, Information Technology, Parks and Recreation, Pension Trust, Personnel and Planning.

FINANCIAL CONSIDERATIONS

There is no fiscal impact to the General Fund as funding of \$725,000 for the migration project was approved in the fiscal year 2013-14 budget. Renewal of the Microsoft license agreement will occur each year as approved by the Board as part of the annual budget process.

RESULTS

An agreement with Microsoft for the purchase of the Microsoft Office 365 Suite will enable the County workforce to become more efficient, connected, and mobile by transforming the way County workers share data, collaborate, and communicate with each other. Specifically, Microsoft Office 365 will deliver the following:

1. Replacement of the existing email system with a cloud based system will provide expanded storage capacity and eliminate the need to administer, maintain, and upgrade an email system on premises (Microsoft takes care of these tasks in its datacenters).
2. Along with greater functionality and an improved user interface, the new system will be implemented in a manner that improves business continuity in the event of a disaster by reducing the dependency on the County's datacenter for email.

This meets the County's Community-wide results for a Well-Governed Community: "The County will provide high quality "results oriented" services that are responsive to community desires."

ATTACHMENTS

N/A